

# quant Mutual Fund

(Formerly known as Escorts Mutual Fund)

Registered Office: 6<sup>th</sup> Floor, Sea Breeze Building, A. M. Road, Prabhadevi, Mumbai – 400 025



## Addendum/2019

### Addendum to Scheme Information Documents/Key Information Memorandum of Quant Mutual Fund

Unit holders are requested to note that the following scheme will be undergoing changes in the key characteristics of the Scheme, which will tantamount to change in the fundamental attributes as per Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996 ("MF Regulations"). These proposed changes shall be carried out by implementing changes in the fundamental attributes and other changes of the Scheme.

#### 1. quant Ultra Short Duration Fund

Particulars	Current features	Proposed features												
<b>Scheme Name</b>	quant Ultra Short Duration Fund	quant Money Market Fund												
<b>Category of Scheme</b>	Ultra Short Duration Fund	Money Market Fund												
<b>Type of Scheme</b>	Ultra Short Duration Fund - An open ended ultra-short term debt scheme investing in instruments with Macaulay duration between 3 months and 6 month	Money Market Fund - An open ended debt scheme investing in money market instruments												
<b>Benchmark</b>	CRISIL Ultra Short Term Debt Index	CRISIL Money Market Index												
<b>Asset Allocation</b>	<p>Under normal circumstances, it is anticipated that the asset allocation shall be as follows:</p> <table border="1"> <thead> <tr> <th>Asset Class Allocation</th> <th>Normal Allocation (% of net assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Debt and Money market instruments*.</td> <td>0-100%</td> <td>Low</td> </tr> </tbody> </table> <p>*Debt securities may include securitized debts up to 50% of the net assets.</p> <p>The Scheme will invest in Debt and Money Market instruments such that the Macaulay duration of the portfolio is between 3 months – 6 months.</p> <p>The cumulative gross exposure through debt securities, money market securities/ instruments and derivatives will not exceed 100% of the net assets of the Scheme.</p> <p>The Scheme may invest in foreign debt securities / instruments.</p> <p>The Scheme will participate in repo of money market and corporate debt securities.</p> <p>The Scheme will engage in short selling of securities and securities lending and borrowing.</p> <p><b>Trading in Derivatives:</b> To optimally manage portfolio risk, the Scheme may use various derivative instruments and hedging products in a manner permitted by SEBI. The scheme may take exposure to derivative instruments up to 100% of net assets.</p>	Asset Class Allocation	Normal Allocation (% of net assets)	Risk Profile	Debt and Money market instruments*.	0-100%	Low	<p>Under normal circumstances, it is anticipated that the asset allocation shall be as follows:</p> <table border="1"> <thead> <tr> <th>Asset Class Allocation</th> <th>Normal Allocation (% of net assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Debt and Money market instruments*.</td> <td>0-100%</td> <td>Low</td> </tr> </tbody> </table> <p>*Debt securities may include securitized debts up to 50% of the net assets.</p> <p>The Scheme will invest in Debt and Money Market instruments with residual maturity upto one year.</p> <p>The cumulative gross exposure through debt securities, money market securities/ instruments and derivatives will not exceed 100% of the net assets of the Scheme.</p> <p>The Scheme may invest in foreign debt securities / instruments.</p> <p>The Scheme will participate in repo of money market and corporate debt securities.</p> <p>The Scheme will engage in short selling of securities and securities lending and borrowing.</p> <p><b>Trading in Derivatives:</b> To optimally manage portfolio risk, the Scheme may use various derivative instruments and hedging products in a manner permitted by SEBI. The scheme may take exposure to derivative instruments up to 100% of net assets.</p>	Asset Class Allocation	Normal Allocation (% of net assets)	Risk Profile	Debt and Money market instruments*.	0-100%	Low
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<b>Investment objective</b>	The investment objective of the scheme is to generate income through a portfolio comprising money market and debt instruments. There is no assurance that the investment objective of the Scheme will be realized.	The investment objective of the scheme is to generate income through a portfolio comprising money market and debt instruments with residual maturity upto one year. There is no assurance that the investment objective of the Scheme will be realized.												
<b>Investment strategy</b>	The Scheme will invest in Debt and Money Market instruments such that the Macaulay duration of the portfolio is between 3 to 6 months, subject to regulatory changes from time to time. The Scheme shall endeavour to minimize credit risk and develop a well-diversified portfolio of debt (including securitized debt) and other instruments. Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsors/ Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.	The Scheme will invest in money market and debt instruments with residual maturity of upto one year subject to regulatory changes from time to time. The Scheme shall endeavour to minimize credit risk and develop a well-diversified portfolio of money market and debt (including securitized debt) and other instruments. Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsors/ Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.												

Note: There will be no other changes in the scheme.

In line with regulatory requirements, for scheme where a change in fundamental attributes is being proposed, we are offering an exit window of 30 days (from May 01, 2019 to May 30, 2019) to Unit holders who are not in agreement with the proposed change. These changes will be carried out to the Schemes w.e.f May 31, 2019 ("Effective Date"). During the exit window, unit holders not consenting to the change may either switch to other schemes or redeem their investments at the prevailing Net Asset Value subject to provisions of applicable cut-off time as stated in the scheme information document of the relevant scheme without exit load. It may be noted that a detailed letter will be dispatched / emailed to the registered address / email address of the existing unit holders explaining the changes being carried out in the fundamental characteristics of the above scheme. In case any existing unit holder of the above scheme does not receive the communication, they are advised to contact any of the Investor Service Centers of quant Money Managers Limited. Further, the communication is also available on the website of quant Mutual i.e. www.quant-mutual.com. Redemption / Switch requests, if any, may be lodged at any of the Official Points of Acceptance of quant Mutual. Unit holders who have pledged / encumbered their units will not have the option to exit unless they submit a release of their pledges / encumbrances prior to submitting their redemption / switch requests. Please note that switch-out / redemption may have tax implications. In view of the individual nature of these implications, each Unit holder is advised to consult his or her own tax advisor. Unit holders may note that no action is required in case they consent to the proposed changes of the scheme and it would be deemed that they have consented to the above proposal. This offer to exit is merely an option and not compulsory. We, at quant Mutual would like the Unit holders to continue their investments with us to help them achieve their financial goals. All the other terms and conditions of SIDs and KIMs of the above-mentioned Schemes of the Mutual Fund will remain unchanged.

**This addendum shall form an integral part of the SID / KIM of the aforesaid Schemes and the Statement of Additional Information of the Fund as amended from time to time.**

**This Addendum is dated April 26, 2019.**

**MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.**